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UNCLAS SECTION 01 OF 02 DUBAI 000279

SENSITIVE  
SIPDIS

DEPARTMENT FOR NEA/FO; NEA/ARP/BMASILKO; OBO/CFSM/CM/DHOGAN

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TAGS: [PGOV](#) [AMGT](#) [PHUM](#) [AE](#)  
SUBJECT: NEW CONSULATE COMPOUND -- ENSURING LABOR BEST PRACTICES

REF: G/TIP REPORT

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11. (SBU) Summary: With significant recent negative media attention focused on labor issues in the UAE, including the UAE being downgraded in the annual TIP Report (reftel), the Consulate General is working with the Bureau of Overseas Buildings Operations (OBO) and the contractor B.L. Harbert, to ensure Dubai's New Consulate Compound (NCC) project will meet or exceed all UAE labor laws and standards. With all parties agreeing on the importance of the issue, the Consul General visited the former "Atlantis Man Camp"--the Palm Jumeirah labor accommodation where some of the NCC workers are housed--on June 10, 2009. The camp is a clean and orderly facility that appears to comply with or exceed all relevant UAE and Dubai standards.

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NCC Basics  
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12. (U) Projected to be completed by 2011, the NCC is being built in Bur Dubai on a six-acre site adjacent to the Dubai Creek and the Consulates of Saudi Arabia and Qatar, on land donated to the U.S. by HH Sheikh Mohammed bin Rashid Al Maktoum, Ruler of Dubai. The Department contracted with Harbert to construct the NCC project. OBO has direct hire Foreign Service staff onsite providing oversight of the entire construction effort.

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Local Labor Issues  
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13. (U) Harbert plans to fully comply or exceed local labor laws including in key areas such as recruitment, contracts, housing, and healthcare.

14. (U) Labor recruitment: Harbert is using contract labor from several Asian countries -- the majority from India. Harbert pays all recruiting fees and prohibits its recruiters from charging additional fees to employees. (Less scrupulous

recruiters often charge employees exorbitant fees at times exceeding the equivalent of two years' wages, which ultimately place these employees into debt bondage situations.) Harbert's policy clearly states that it would immediately cease its association with any recruiter found violating this policy.

15. (U) Labor contracts in local languages: The employment contracts used by Harbert are standard Dubai government-approved contracts. Official copies are presently available only in Hindi, Arabic, and English. However, Harbert is considering having the contracts translated into several other sub continental languages, such as Malaysian and Urdu as the need arises.

16. (U) Guaranteed salary payment: Harbert workers are paid one grade above the current prevailing Dubai wage levels for similar positions making Harbert's salaries higher than most competitors. Harbert's minimum guaranteed salary is AED 950 per month for an unskilled worker, higher than other projects in Dubai. Harbert employees are also paid time and a quarter for overtime and time and a half for Friday or night work. Harbert pays contract workers (via exchange house "UAE Exchange," also use by the U.S. Consulate in Dubai) in cash once a month at the exchange rate agreed upon in the employee's original contract. Employees have the option to remit some or all of their salary for a percentage fee via UAE Exchange. (Comment. It has been reported that some laborers find themselves in situations where they sign a contract -- in their country of origin -- and agree on a salary, but discover later that the salary has been changed. Harbert ensures it pays employees the rate agreed upon in the original contracts, and will ensure that the correct rates are stated when the contracts are translated into the employee's local language. End Comment.)

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17. (U) Availability of passports: Many employers control the movement of their employees by taking possession of their passports upon arrival in the UAE. Harbert does hold all of its employees' passports in a secure facility on the construction site for their security; however, we have been assured that the passports are available to any worker upon request. (Note: Harbert's American managers keep their passports in the same secure facility.)

18. (U) Healthcare: With a full-time nurse and nurse's assistant on the construction site and a doctor and nurse operating a medical clinic at the labor accommodations, immediate concerns or emergencies can be addressed quickly. Treatment for an injury sustained on the jobsite will be funded by Harbert. Workers are subject to Dubai workmen's compensation rules regarding onsite injuries. Harbert informed the Consul General that all workers have 100 percent self-insurance as well as AED 50,000 deductible health insurance policy. Professional third country nationals have been offered additional elective coverage through AETNA, but due to costs, few, if any have opted to purchase it. Additionally, medical matters are being managed through Harbert's contributions to the UAE Ministry of Labor and the American International Group-UAE (AIG-UAE). With regard to payments to these two entities for medical injuries, Harbert provides medical benefits and contributions per UAE labor laws for each worker.

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Labor Accommodations

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¶9. (U) Background: The former "Atlantis Man Camp" is located on Dubai's man-made, exclusive Palm Jumeirah Island, directly adjacent to the Atlantis Hotel and waterpark. It is managed by Kerzner group. According to camp General Manager Kamlesh Bajaj, the camp exceeds all UAE federal and Dubai standards and is often cited as a "model camp."

¶10. (U) Built originally to support the 4000-strong workforce that built the Atlantis, Harbert currently has 60 workers living in the camp, with a planned maximum of 275 to 300 later this year. The no-smoking camp is clean and orderly, with a series of barrack-type buildings, similar to basic training military barracks. The Consul General visited the camp on June 10, 2009 with OBO's Construction Manager and Harbert's Project Manager. The camp buildings--clean and air-conditioned-- include kitchens, multiple dining halls, movie rooms, recreation rooms, and a "news" viewing room. The sleeping barracks are built on four blocks of 32 rooms; each room can sleep up to eight workers, but Harbert houses only six workers per room. (Note: Photos of the Atlantis camp are used in local regulations for what a "model accommodation" should look like. Food at the camp is clean and plentiful; workers eat in a cafeteria with no restrictions on portion or servings.)

¶11. (SBU) Harbert has reviewed the accommodations of Hennessy Inc, its principal subcontractor at the NCC project site, and confirmed that Hennessy's labor policies match Harbert's regulations and policies. Harbert has also provided documentation which indicates that Hennessy's accommodations in Dubai meet or exceed UAE laws and standards.

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